

1 negative observations, they don't record good
2 practices.

3 SPECIAL MASTER BUNDY: And so, out of
4 the categories that the vetting official
5 might have to review, what this says is that
6 in 2008 in the engine and steering
7 compartment, 25 percent of the categories of
8 the questions of the checklist of the vetter
9 resulted in an observation, but by 2009 that
10 had gone down to 12 percent.

11 MS. TSOCHLAS: Yeah, exactly.
12 25 percent of all the observations that were
13 recorded during vetting inspections had to do
14 with the engine and steering compartment, and
15 then in 2008 and 2009, 12 or 13 percent of
16 all the observations recorded during vetting
17 inspections had to do with the engine and
18 steering compartments.

19 SPECIAL MASTER BUNDY: Okay. So --

20 MS. TSOCHLAS: So, theoretically, it
21 means that if we had in 2008, if we had the
22 total number of observations that were
23 recorded onboard our vessels by vetting
24 inspectors were 100 observations, 25 of those
25 were to do with the engine and steering

1 compartments, whereas in 2009 and 2010, it
2 was 12 of those 100 observations recorded
3 were to do with the engine and steering
4 compartments.

5 SPECIAL MASTER BUNDY: But this doesn't
6 tell us anything about the total --

7 MS. TSOCHLAS: So, the improvement in
8 the vessel's performance in those areas.

9 SPECIAL MASTER BUNDY: This doesn't tell
10 us about the total number of observations?

11 MS. TSOCHLAS: Yes.

12 SPECIAL MASTER BUNDY: Has that
13 increased or decreased?

14 MS. TSOCHLAS: The total number of
15 observations -- we don't really look at the
16 total number of observations because that
17 depends on the number of inspections that
18 were carried out in the year. What we look
19 at is the average number of observations
20 recorded per inspection.

21 SPECIAL MASTER BUNDY: And is that --

22 MS. TSOCHLAS: That has been
23 approximately the same. We're around in
24 2008 -- no, it's decreased -- in 2008 we were
25 at about eight observations per inspection

1 and in 2009 we were down to about six and a
2 half because of statistics, so 6.5
3 observations per inspection. So, the total
4 number of observations is probably decreased.
5 Our vessels are performing better at the
6 vetting inspections.

7 MR. WIGGER: Your point is that, say, in
8 the life-saving firefighting area you had a
9 large increase, then that would increase the
10 total observations, therefore, the
11 relative -- you'd have a relative decrease in
12 the pollution prevention observations, but,
13 in reality -- but, as you say, the absolute
14 number was like eight versus six and a half,
15 or something like that. So, it is going
16 down.

17 MS. TSOCHLAS: Yes.

18 MR. SANBORN: Good evening, Krystyne,
19 it's Jim Sanborn.

20 MS. TSOCHLAS: Hello.

21 MR. SANBORN: In looking at the slide
22 presentation and the backup material and
23 Estia's recent audit, I had some general
24 reactions, and I'd like to get your reaction.
25 One was, I was surprised that the chief

1 engineer seemed not to be overly or terribly
2 proficient in his knowledge of the oil record
3 of the ORB and logs. You, obviously, took
4 some measures immediately to, I guess, to get
5 him up to speed, but I also noticed he had
6 about four crew members that had not received
7 pre-training, and my question really is
8 knowing that the training officer, Captain
9 Santez or Saquez --

10 MS. TSOCHLAS: Saquez.

11 MR. SANBORN: -- goes to the training
12 facilities in Manila on a periodic basis, I'm
13 curious, A, as to what has he found? Are
14 there corrective measures that need to be
15 taken? What are some of the upgrades of the
16 initial training that, perhaps, have been put
17 into place? That's a long question, but I'm
18 thinking more in terms of generalities.

19 MS. TSOCHLAS: Can I address the first
20 two issues first to do with the chief
21 engineer and then with the pre-joining
22 training?

23 MR. CHALOS: Krystyna, hold on,
24 Mr. Bundy stepped out.

25 MR. SANBORN: He's back.

1 MR. CHALOS: All right. He's back.

2 SPECIAL MASTER BUNDY: I'm sorry. That
3 was Judge Arterton. Sorry.

4 MS. TSOCHLAS: The chief engineer, it's
5 his first time that he's serving onboard one
6 of our vessels. When he joined the company,
7 he's a chief engineer, so he was trained at
8 our premises in periods, another demanding
9 agent of the Philippines, he went through the
10 pre-joining training process that we have.
11 The chief engineer is proficient with
12 recording entries in the oil record book.
13 Our company, due to the compliance program,
14 has a number of additional requirements. We
15 familiarized him with these additional
16 requirements and we trained him in those
17 prior to him signing on. Unfortunately, it
18 seems that he didn't grasp those issues
19 adequately. We had identified this issue
20 following the internal audit that was carried
21 out onboard in November, I think, earlier, at
22 least, by our Marine superintendent and we
23 had a superintendent engineer board the
24 vessel in order to provide additional
25 training regarding those issues, but it seems

1 that he continued to have problems with that.
2 So, following his poor performance during the
3 audit that was carried out onboard the Estia,
4 we decided that we'll have to repatriate him
5 in order to carry out further training at our
6 premises and to see whether we can improve
7 his performance and then base our decision on
8 that, whether we'll use him again onboard our
9 ships or not. He's going to disembark
10 Singapore on the 22nd of January when the
11 vessel reaches Singapore, so that's the one
12 issue. Unfortunately, we do have a very
13 intensive training program, pre-joining
14 familiarization program, and this was carried
15 out at our premises so we know it was carried
16 out properly and to our requirements.
17 Because we're working with human beings
18 sometimes these things can occur. We are
19 monitoring the situation very closely. When
20 it comes to the pre-joining training of
21 certain members of crew onboard the Estia,
22 they were trained, they did attend the
23 pre-joining training course, they did not
24 attend one seminar which we called the
25 shipboard environmental management system

1 seminar. Captain -- the IEC who recorded the
2 recommendation, the auditor, refers to
3 environmental awareness, we don't have such a
4 training course, so we assumed that he meant
5 the shipboard environmental management
6 system, because that was the only course that
7 they didn't attend, they had attended Marpol
8 annex one, two, four, five, and six, and they
9 had attended the in-house pre-joining
10 familiarization which has to do with areas
11 regarding our environmental management plan
12 and the scope of work.

13 So, I think when it comes to that, we
14 are -- the situation is being monitored and
15 is under control and issues have been
16 addressed, but when it comes to Captain
17 Saquez, we've already discussed this in past
18 hearing, he visits the manning agents three
19 to four times a year and he audits the
20 manning agents during his visits. These are
21 isolated incidents, so I don't think we have
22 an issue, you know, a big issue that has to
23 be addressed during his visits at the manning
24 agent.

25 MR. WIGGER: I'll make a quick comment.

1 When I received the report from Captain
2 Joshi, I was concerned about the chief
3 engineers and I spoke with him more in-depth,
4 and, actually, he expanded his observation a
5 little bit more, but, I guess, his
6 impression, of the chief engineer, was that
7 he just wasn't fully onboard with the
8 program, and that related back to some of the
9 deficiencies he noted. Just in the break
10 here, just talking to Lieutenant Commander
11 Chaning, we had a discussion, not related to
12 this case, but it's so critical that the
13 chief engineer be -- I mean, he's such a key
14 person in this whole EMS, that he be, you
15 know, hand-picked, so to speak, and fully
16 onboard because the compliance of the vessel
17 can vary from one vessel to the next really
18 depending upon the chief engineer and, of
19 course, the Master.

20 So, I think the concern we had with that
21 observation was that Ionia makes sure that
22 the chief engineers are, that they're putting
23 aboard these vessels, are really onboard with
24 the EMS and knowing, you know, the culture,
25 so to speak, of what Ionia is trying to

1 achieve with this, so it just, you know,
2 underscores that aspect of it.

3 MS. TSOCHLAS: This was, of course, also
4 a point of concern for us because we want our
5 chief engineers to be proficient with the
6 system. The success of our compliance is
7 90 percent dependent on the performance of
8 the chief engineer while he is onboard and
9 this is why we have such an intensive
10 pre-joining familiarization program.

11 When somebody -- when a seafarer is new
12 to the company, we go through that
13 pre-joining familiarization and we assess
14 whether he seems to be receptive to the
15 information that is being passed onto him.
16 We assessed that he was adequate and
17 receptive to the new requirement and that's
18 why we sent him onboard. In the meantime, we
19 monitor all our chief engineers' performance
20 while onboard, whether they're chief
21 engineers that's been with the company for a
22 long time or new to the company, and we had
23 also identified that they may be a point of
24 concern. Now that we can see that we are not
25 able to correct the problem while he is

1 onboard, we have decided to repatriate him.

2 MR. CHALOS: In other words, they're
3 addressing the problem you raised.

4 MS. TSOCHLAS: Because he is being now
5 repatriated well before the termination of
6 his contact.

7 SPECIAL MASTER BUNDY: And after he has
8 returned to Greece and you have a session
9 with him, I assume, the company will decide
10 whether to sign him back on to a vessel or
11 not?

12 MS. TSOCHLAS: Whether we reemploy him
13 or not. Because our company has a no-blame
14 culture, it's part of our non-retaliation
15 policy, we cannot just fire him, we have to
16 first make an effort to see if we can
17 acknowledge and improve his performance, so
18 we'll go through training with him ashore and
19 then assess whether we think that he is
20 capable of performing to the standard that we
21 require on following the training. Based on
22 our assessment, then we'll decide whether he
23 will be reemployed aboard one of our ships or
24 not.

25 SPECIAL MASTER BUNDY: Any other

1 questions?

2 MR. SANBORN: I just had an add-on, and
3 that is that in any training program, you
4 look for continual improvement, interjection
5 of material that comes up through regulation
6 law, what have you, best practices -- and,
7 again, it's a general question, has your
8 training officer been working with -- well,
9 first of all, I guess with the training
10 facilities, manning facilities that you use
11 in Manila to assure that they are continually
12 upgrading so the stuff doesn't get stale,
13 even though I recognize there are new people
14 coming in.

15 And, secondly -- I mean, I think this
16 is, obviously, in some of your presentation,
17 that he's doing some of this upgrading for
18 the shore-side training that you conduct
19 there in Piraeus. Again, that's more of a
20 rhetorical question.

21 MS. TSOCHLAS: Yes. Well, we
22 continuously upgrade our training system.
23 For one, in the presentation I have mentioned
24 that we included new subjects, new courses
25 for training that have to do with new

1 regulations that have come out over the last
2 year, and we also -- we've also implemented
3 the superintendent onboard training, which is
4 a new phase of our training program. With
5 that training program, we monitor the outcome
6 of all the inspections that are carried out
7 onboard our vessels, whether their vetting
8 and internal audits are attended to by our
9 superintendent, as well as we're reviewing
10 incidents that have occurred within our fleet
11 and appraisal reports of our seafarers in
12 order to identify areas of weakness and the
13 knowledge of our seafarers, and then we have
14 our superintendent go onboard to identify
15 those specific areas that have been
16 identified, so we're continuously upgrading
17 our training program overall.

18 SPECIAL MASTER BUNDY: One question I
19 had is I think in at least one previous
20 hearing you submitted the report of the
21 training officer about his visit to the
22 manning agents and other training facilities
23 in the Philippines.

24 MS. TSOCHLAS: Yes.

25 SPECIAL MASTER BUNDY: Do you maintain

1 those still? Are those still available?

2 MS. TSOCHLAS: Yes, every time the crew
3 manager attends the manning agent in Manila,
4 he produces a report. And that's another
5 thing, when he goes to Manila, he attends all
6 the external organizations in order to
7 observe training seminars that are being
8 carried out at those organizations and to
9 discuss with the trainers at those
10 organizations, the performance of our
11 seafarers during the training that is carried
12 out. He also carries out presentations
13 himself, as does the manning agent
14 internally, and he observes training that is
15 carried out by our in-house training at the
16 manning agent, so he reports back on all of
17 those issues.

18 SPECIAL MASTER BUNDY: And he did that
19 on his latest trips?

20 MS. TSOCHLAS: His latest visit to the
21 manning agent was in December of 2010 and he
22 had produced a report from that visit.

23 SPECIAL MASTER BUNDY: Mr. Chalos, if
24 you could forward that as part of this
25 record, we'd appreciate it.

1 MR. CHALOS: Yes.

2 SPECIAL MASTER BUNDY: We've had it
3 before, I just want to make sure that we
4 continue.

5 MS. TSOCHLAS: Yes, that's not a
6 problem, we can send you a copy of that
7 report.

8 SPECIAL MASTER BUNDY: Is it in English?

9 MS. TSOCHLAS: Sorry?

10 MR. CHALOS: Is the report in English?

11 MS. TSOCHLAS: Yes, it is.

12 SPECIAL MASTER BUNDY: Otherwise, it's
13 not going to do us any good.

14 The other question I picked up from
15 looking at the presentation, as you mentioned
16 before, some of the seafarers on the Estia
17 were -- had missed the environmental EMS
18 specific seminar because of time constraints,
19 and I think it was on Exhibit 26, which is
20 the pre-joining familiarization checklist,
21 how are the topics on that checklist -- how
22 do those correspond to the training that
23 these particular individuals missed? Is that
24 part of the training that they missed or not?

25 MS. TSOCHLAS: No, that training they

1 had attended, that's our in-house pre-joining
2 familiarization that's carried out; it's a
3 checklist that the trainer uses to insure
4 that all of the areas, not just areas to do
5 with the environment, are covered during
6 pre-joining familiarization. The CBT that is
7 used -- attended by the seafarers also is
8 recorded there.

9 In addition to that training, we have
10 some in-house seminars that are carried out
11 by trainers and our seafarers also attend
12 training at external organizations. So,
13 there's three separate parts of training
14 that's carried out before signing on.

15 The seafarers mentioned that they did
16 not have environmental awareness training,
17 had not attended one of the courses, the
18 in-house seminar, to do with shipboard
19 environmental management systems; that's
20 carried out once a month at the manning
21 agent. So, if there's a time limitation, we
22 allow them to sign-on without attending that
23 specific course, because we consider we have
24 covered a number of environmental areas
25 before other areas of training and they will

1 attend that course once they've signed up
2 prior to the next time they sign-on. The
3 shipboard environmental management course or
4 the environmental awareness course is general
5 knowledge on the environment.

6 MR. CHALOS: What I think Miss Tsochlas
7 is saying is that all the other training that
8 they had included the environmental training
9 in that general course.

10 MS. TSOCHLAS: And none of our seafarers
11 will join the vessel without having taken the
12 pre-organization checklist, so the topics
13 highlighted in that pre-checklist during
14 their pre-joining familiarization.

15 MR. WIGGER: Krystyna, I have a quick
16 question.

17 In Captain Joshi's finding for the
18 Estia, he mentioned that the pre-joining
19 training for some of the staff of
20 environmental workers, as part of a condition
21 of the scope of work, was not carried out.
22 So, the scope of work requires not only the
23 pre-joining environmental awareness training,
24 but, now, in your response you indicated that
25 this was not mandatory? You said the

1 specific --

2 THE WITNESS: The pre-familiarization is
3 mandatory and they are familiarized in the
4 environmental management plan, the
5 requirements of the environmental management
6 plan in terms of probation.

7 The course that is not mandatory prior
8 to signing on is the shipboard environmental
9 management systems. When the recommendation
10 was recorded by Captain Joshi, I looked
11 through the vessel's records to find out what
12 was missing. What was missing was a
13 certificate from the shipboard environmental
14 ~~system management training course.~~

15 So, they were familiarized because all
16 of our seafarers go through the
17 familiarization program with the terms of
18 probation, the scope of work, and the
19 environmental management plan requirements.
20 They didn't attend the seminar that we call
21 shipboard environmental management systems.

22 SPECIAL MASTER BUNDY: What additional
23 training or what additional topics are
24 covered in the seminar, the shipboard
25 environmental management system seminar that

1 are not covered in these other training, I
2 think, that they did attend?

3 MR. TSOCHLAS: The shipboard
4 environmental management systems that are not
5 covered is a more general seminar and it
6 covers a number of topics to do with the
7 environment. That's why all of our seafarers
8 attend that course, not just officers, it's
9 the ratings as well. So, it's more general
10 to do with the existence of the Marpol
11 regulations and how they should be
12 implemented onboard.

13 These seafarers that attended that
14 ~~course had, however, attended several courses~~
15 at external organization to do with Marpol
16 annex one, four, five and six, so they had
17 more detailed knowledge about those
18 regulations and they had also attended the
19 pre-joining familiarization program where
20 in-house they're familiarized with the
21 requirements of our environmental management
22 plan.

23 So, we don't consider that they weren't
24 trained or familiarized with our
25 environmental requirements or generally with

1 environmental regulations, they did attend
2 one seminar.

3 MR. CHALOS: I think that the training
4 that they got was more specific environmental
5 training relating to the company's EMS, the
6 probation requirements, and the
7 implementation of environmental compliance on
8 that vessel and within the company, which is
9 a much more focused training than just a
10 general environmental training, I think
11 that's what Miss Tsochlas is saying.

12 SPECIAL MASTER BUNDY: I've got another
13 question, and that is on slide 33, the
14 question was the statement of reasons for any
15 changes to the program and the slide
16 describes the changes, but not the reasons
17 for them. Maybe they're self-evident, but if
18 that's so, can you fill me in on that?

19 MS. TSOCHLAS: Yes.

20 The CBT units -- the titles that we
21 added to the CBT units, the vessel general
22 permit, we had a training course for the VGP,
23 it has been revised and improved, that's why
24 it's revision one. Vapor emission control
25 has to do with the volatile organic compound

1 regulation that came into force in July of
2 2010, it's to do with Marpol annex six, so
3 it's a new regulation that's come out. Ship
4 to ship transfer plans is a new regulation
5 that came into force on the 1st of January of
6 this year, so this is why we included this
7 CBT title. And the ship energy efficiency
8 management plan is a new course that has been
9 provided by Videotel, that has to do with the
10 environment and we considered it would be
11 constructed to provide it to our vessels.

12 Then when it comes to the weekly
13 sessions onboard, we have included the three
14 items of the management plan, the ship to
15 ship transfer plans, and the amendments to
16 the oil record book. This regulation came
17 into force on the 1st of January of this
18 year. In order to assure that our seafarers
19 are aware with the new regulations when they
20 come into port. And then, as I've said, we
21 included the last phase of our revised
22 training program which has to do with the
23 superintendent onboard training, that's to
24 improve our overall training program.

25 MR. CHALOS: In other words, the

1 inclusion of these, Mr. Bundy, are because
2 the regulations are evolving and changing, so
3 they have to keep up with the new regs.

4 SPECIAL MASTER BUNDY: Any other
5 questions from the parties on the training
6 issue?

7 Mr. O'Connell?

8 MR. O'CONNELL: I had one, on slide 20,
9 the feedback regarding the SWOMS, what did
10 you glean from that, what did that tell you
11 about the SWOMS system and do you have any
12 plans to follow-up on that survey.

13 MS. TSOCHLAS: We have followed up on
14 the survey. Generally, it indicates to us
15 that, first of all, everybody is aware of the
16 operation of the SWOMS onboard and that they
17 don't consider that it's adding to their
18 workload, which is important to us as well,
19 that -- and then, most of all, most of the
20 seafarers consider that it's not possible to
21 time it with the SWOMS and it's not possible
22 to contravene Marpol regulations with the
23 SWOMS onboard, and it helps prevents
24 violation to Marpol taking place.

25 So, the opinion of our technical

1 department and our seafarers onboard supports
2 that we are preventing Marpol violations.

3 MR. O'CONNELL: I guess another question
4 would be, at least in terms of, are the
5 readings recorded by the SWOMS accurate, and
6 17 percent of the floats surveyed said
7 they're not.

8 MS. TSOCHLAS: Yes, there are three
9 questions where 17 percent have answered
10 something different. We looked at the
11 responses that were received in order to
12 identify and analyze why they think this and
13 we saw that 17 percent refers to the
14 seafarers onboard one of our vessels, the M/T
15 Gea, which does not have a SWOMS unit
16 installed onboard. So, we haven't really
17 taken their responses into account as they're
18 not operating the SWOMS on a daily basis.

19 MR. O'CONNELL: Okay.

20 MR. CHALOS: By the way, we had the same
21 question when we saw that 17 percent, how can
22 that be? In fact, it's people that are
23 answering the survey are people that are on
24 non-SWOMS ship, so they have no idea if the
25 SWOMS works or not.

1 SPECIAL MASTER BUNDY: I have a question
2 on the matrix that you provided for the
3 training for the CBT?

4 MS. TSOCHLAS: Yes.

5 SPECIAL MASTER BUNDY: How are the
6 recommendations that are contained in the
7 matrix, how does management enforce the
8 training regime that you set up?

9 MS. TSOCHLAS: First of all, it's a
10 recommended matrix, it's not mandatory.
11 We've used this matrix in order to provide
12 guidelines to our seafarers as to what they
13 should choose. The CBT -- the computer based
14 training units that have been installed
15 onboard are there to assist our seafarers in
16 their knowledge. So, what we would like is
17 our seafarers, themselves, to take a look at
18 the available titles and choose the titles
19 for themselves, where they know they may have
20 a weakness or they want to learn something
21 more. So, what we, with the recommended
22 matrix, we've given them a guideline to know
23 what is appropriate to their rank and
24 position onboard the vessel. However, we do
25 wish -- we do require saying that we want

1 them to choose doesn't mean that we don't
2 require them to carry out all those training
3 titles and we do require them to carry out
4 all the training titles within a two year
5 period.

6 SPECIAL MASTER BUNDY: So, the matrix --
7 you require them within two years to complete
8 all of the topics of the matrix?

9 MS. TSOCHLAS: Yes. But we leave it to
10 the seafarer to choose which ones he would
11 rather give priority to because each seafarer
12 is aware of his weaknesses and may have his
13 own questions to do with topics.

14 SPECIAL MASTER BUNDY: How has the
15 pre-joining assessment, knowledge assessment
16 that you have undertaken, are you still doing
17 that?

18 MS. TSOCHLAS: The competency evaluation
19 software. Since January of 2009 we've been
20 using that software. We used that when the
21 seafarer comes to us to begin the pre-joining
22 training program, he carries out the
23 questionnaire, he completes one of these
24 questionnaires, and then we evaluate his
25 areas of weakness based on his scores. The

1 results of the competency evaluation divides
2 the core into certain categories and wherever
3 we see that he has below 50 percent, we
4 provide additional training. It's proved to
5 be quite effective the system up until now.

6 SPECIAL MASTER BUNDY: And is that
7 additional training where you might require
8 the seafarer to do certain CBT courses?

9 MS. TSOCHLAS: Yes. We either do CBT
10 courses -- most of the time we use CBT
11 courses, however, we may use one of our
12 in-house instructors, or if the seafarer is
13 Greek -- if it's a Greek seafarer, we may
14 address the issue with one of our shore-based
15 personnel or at an external organization;
16 that is more rare, though, for an external
17 organization.

18 SPECIAL MASTER BUNDY: Any other
19 questions, issues, on the training?

20 Anybody have any comments, questions on
21 the fleet engineering survey?

22 MR. O'CONNELL: I just have one question
23 it might be because I'm new.

24 There was only 13 responses, I assume
25 there were other responses before this, is

1 that why there's only 13 that I saw in there?

2 MS. TSOCHLAS: The engineering survey,
3 the procedure requires that the fleet
4 engineering survey is completed when --
5 within three months of the seafarers signing
6 onto the vessel. So, most of our seafarers
7 have a nine month contract. The survey was
8 implemented in March, so the 13 responses
9 depends on the number of changes of crew we
10 had within those -- within that period. And
11 I think you only included from July. Yeah,
12 from July. So, it's only for engineers and
13 officers, which there are only four or five
14 on each vessel, and there had to be changes
15 for them to complete each engineering survey.
16 That's why there's only 13 responses.

17 MR. O'CONNELL: So, when you say it's
18 fully implemented, you mean it's newly
19 implemented for everybody on the vessel.

20 MS. TSOCHLAS: What we mean by fully
21 implemented is we have all our seafarers
22 respond to fleet engineers, that's an ongoing
23 thing, because we have new seafarers joining
24 onto the company or new seafarers that are
25 promoted to officer within the company, so

1 it's a never-ending process.

2 MR. WIGGER: Just to clarify a little
3 bit, I think initially there was a fleet
4 engineering survey that was distributed to
5 the entire fleet, that was completed, but
6 then during one of the hearings, Miss Pettus
7 had raised some concerns about it and it has
8 been revised, and now the new revised fleet
9 engineering survey is on an ongoing basis, is
10 that accurate?

11 MS. TSOCHLAS: That's correct, Captain
12 Wigger.

13 MR. CHALOS: I think it's correct to say
14 that the new revised survey was based, in
15 great part, on questions that Miss Pettus had
16 put together, so that's the answers you're
17 getting to the questions that your office
18 came up with. Not every question, but a lot
19 of the questions.

20 MR. O'CONNELL: Right. I was just
21 focused on the numbers. I thought it would
22 be more, but I understand now that it's an
23 ongoing thing.

24 SPECIAL MASTER BUNDY: The next topic is
25 the internal audits.

1 MS. TSOCHLAS: The internal audit.

2 SPECIAL MASTER BUNDY: Let's see.

3 MR. O'CONNELL: I have one further
4 question on the fleet survey.

5 SPECIAL MASTER BUNDY: Go ahead.

6 MR. O'CONNELL: You had mentioned that
7 any training or equipment resulted from the
8 fleet engineering surveyor are contemplated.
9 I don't remember. I think you said no in
10 here or you didn't answer. I was just
11 wondering, are there any planned?

12 MS. TSOCHLAS: We don't have any plans
13 because that depends on the responses that
14 have been provided by our seafarers. As I
15 said, the presentation, the responses have
16 greatly improved in comparison to the
17 previous formula where we were not getting
18 appropriate responses, now we are getting
19 appropriate responses but they are not really
20 stimulating, they're not really giving us new
21 ideas or pioneering ideas for improving our
22 management system. And I've given one of the
23 links -- one of the attachments shows all of
24 our responses and I think that you'll also
25 see that they are not really stimulating for

1 changes in our policies or procedures.

2 MR. SANBORN: Krystyna, I saw that and I
3 commend your honesty in saying you're not
4 satisfied with what you've got. I'm just
5 curious, have you given any thought to what
6 the next step is to see if you can stimulate
7 the reporting engineering officers to give
8 you something that you can bite your teeth
9 into?

10 MS. TSOCHLAS: Well, one big part of
11 encouraging our officers is changing their
12 culture as well, to become more informative
13 and more responsive.

14 What we're doing is we're discussing the
15 issue during pre-joining familiarization in
16 an effort to encourage them to think about
17 new ideas, and when our superintendents go
18 onboard, the issue is also discussed then
19 with the officers, but this is very dependent
20 on the culture of the officers, and it's a
21 process that takes time, it's like when the
22 ISN code was implemented 10 years ago, it
23 takes time for the seafarers to grasp the
24 idea and the necessity to be responsive to
25 requirements.

1 SPECIAL MASTER BUNDY: In that regard,
2 of course, one of the biggest issues
3 throughout the industry is what you've just
4 described, which was the necessity and the
5 difficulty of changing long-standing culture
6 in the industry among seafarers. Has Ionia
7 taken any steps that you believe are
8 innovative or pioneering in that regard to
9 try and do something for your company beyond
10 what you'd see ordinarily in other companies
11 of your size?

12 MS. TSOCHLAS: Well, for one, the
13 training program we have is extremely
14 extensive compared to what other companies
15 are doing, especially companies of our size.
16 Such an extensive training program you'll see
17 in the very big shipping companies, not so
18 often in our size, so I think that's one of
19 the big steps we've taken, we've spend a lot
20 of money on training, we're using resources
21 and we're doing a lot of work when it comes
22 to training. And I think training is the
23 most important part of changing the
24 seafarer -- well, personal culture overall.
25 Another thing that we're about to begin this